

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
TYLER DIVISION

WI-LAN INC.,	§	
	§	
Plaintiff,	§	
	§	Civil Action No. 6:10-cv-521-LED
v.	§	Civil Action No. 6:13-CV-00252-LED
	§	CONSOLIDATED CASES
ALCATEL-LUCENT USA INC.; <i>et al.</i>	§	
	§	JURY TRIAL DEMANDED
Defendants.	§	
	§	

DEFENDANTS' MOTION FOR JUDGMENT AS A MATTER OF LAW THAT CLAIMS 2 AND 5 OF U.S. PATENT NO. 6,381,211, CLAIMS 2, 5, AND 9 OF U.S. PATENT NO. 6,088,326, AND CLAIM 11 OF U.S. PATENT NO. 6,222,819 ARE NOT INFRINGED AND INVALID, AND CLAIMS 11 AND 12 OF U.S. PATENT NO. 6,195,327 ARE NOT INFRINGED

I. Introduction

Defendants believe that judgment of noninfringement as a matter of law (JMOL) should be entered in this case as to all asserted claims of the four patents in suit because the evidence presented by plaintiff Wi-LAN is so deficient that reasonable jurors could not arrive at any other verdict. In brief, Wi-LAN has failed to present even a prima facie case of literal infringement because there has been a total failure of proof as to the presence of several limitations in the asserted claims, namely, “second code generator”, “second encoder”, “second decoder” and an additional “overlay code”, in the accused devices.

Similarly, Wi-LAN has failed both factually and legally with regard to the doctrine of equivalents (DOE). Legally, Wi-LAN cannot rely on the DOE to supply the missing claim elements noted above. This would violate the rule against claim element vitiation and the all elements rule. The DOE permits, in proper circumstances, the substitution of a claimed element with an unclaimed element, e.g., a rivet for a nail, but it does not permit the injection of an element into a claim when no comparable element existed, e.g., a rivet into a claim which does not recite a nail or the like.

Factually, Wi-LAN tries to blot out the difference between the two codes, orthogonal and overlay, required by the asserted claims on the one hand and the single code, the OVSF code of the accused devices, on the other hand. One code does not equal two codes, but Wi-LAN attempts to dodge this reality by having its expert Dr. Wells argue that the additional overlay code of the patent claims need not be a separate code. This tactic violates this Court’s claim construction and is contrary to the intrinsic evidence found in the disclosures in of the asserted patents.

II. Legal Standard

Judgment as a matter of law (JMOL) is proper when “there is no legally sufficient evidentiary basis for a reasonable jury to have found for that party with respect to that issue.” *Ford v. Cimarron Ins. Co.*, 230 F.3d 828, 830 (5th Cir. 2000). Under this standard, the jury’s determination must be supported by “substantial evidence.” *ACCO Brands, Inc. v. ABA Locks Mfrs. Co.*, 501 F.3d 1307, 1312 (Fed. Cir. 2007) (“We have interpreted the Fifth Circuit’s standard to mean that the jury’s determination must be supported by substantial evidence.”), citing *Med. Care Am., Inc. v. Nat’l Union Fire Ins. Co.*, 341 F.3d 415, 420 (5th Cir.2003) (“If there is substantial evidence opposed to [JMOL] . . . [it] should be denied.”).

III. Argument

A. No Literal Infringement

In order for literal infringement to be found, each and every element of a patent claim must be present in an accused device. *Freedman Seating Co. v. Am. Seating Co.*, 420 F.3d 1350, 1358 (Fed. Cir. 2005); *Unique Concepts, Inc. v. Brown*, 939 F.3d 1558, 1562 (Fed. Cir. 1991). The accused devices do not come close to meeting this standard and the undisputed evidence demonstrates that this is so.

1. The ‘211 Patent

a. No Additional Overlay Code, Second Code Generator, Second Decoder

Claims 2 and 5 of this patent are asserted against HTC and Sony Mobile. Each of these claims requires, in addition to an orthogonal code, a first code generator and a first decoder:

An additional overlay code

A second code generator (to generate an overlay code)

A second decoder (to decode an overlay code)

It is undisputed that *none* of these elements exist in the accused HTC and Sony Mobile handsets. Rather these devices use only a single orthogonal code and not two codes—one an initial orthogonal code and the other an additional overlay code used to subdivide the orthogonal code—as the patent requires. Therefore, they do not need a second code generator or a second decoder for an overlay code that does not exist.

How has Wi-LAN attempted to overcome this undisputed evidence? By attempting to rewrite the claims to eliminate the claim limitations noted above rather than providing evidence that the missing claim requirements can be found in the accused devices. This attempt to rewrite the claims starts with Dr. Wells' direct testimony about the requirement for an additional overlay code as follows:

- Q. All right. Now does the overlay code need to be separate from the orthogonal code?
- A. No, it doesn't. The Court's construction was an additional code. It didn't give a construction that it was a separate code.

(July 8 p.m. Tr. 118:6-10.) This distortion of the claims and the Court's claim construction is the lynchpin of Wi-LAN's fatally flawed infringement position. Both the '211 patent and Dr. Wells' testimony on cross-examination expose these flaws.

The '211 patent makes it plain that the overlay code is a separate code. Table 1, which appears at col. 10, line 60 to col. 11, line 16, is the disclosure of the orthogonal code recited in the claims. The overlay code appears separately in Table 2, at col. 15, lines 24-37, and is entirely separate from the orthogonal code. Dr. Wells acknowledged that the orthogonal code and the overlay code were described separately in the patents in suit in separate tables:

- Q. If we look down below, we see that it's got a table , and this is the RW codes or the orthogonal codes, right?
- A. Yes, that's right.

Q. All right. And then you have a separate table with additional codes for the overlay, which we find in Col. 15, Table 2, the overlay codes, a separate table of codes for the overlay, right?

A. That's right. In this example we do.

(July 9 a.m. Tr. 100:10-18.)

Furthermore, the application of the overlay code requires that it be separate because its very purpose is to subdivide the channels created by the orthogonal code into smaller channels:

When using overlay codes, an RW [i.e., orthogonal] code is split in the RW space domain to allow up to four subchannels to operate in the same time.

('211 patent, col. 15, lines 58-60.) This is shown in Figure 9A of the '211 patent where the RW1-RW13 channels created by the orthogonal code are each split up into four subchannels Q1-Q4. It would not be possible for the overlay code to split up the orthogonal code channels RW1-RW13 into subchannels Q1-Q4 unless the overlay code was separate from the orthogonal code.

Dr. Wells agreed that the splitting up, i.e., the subdivision, of an orthogonal channel is part of the definition of "overlay code":

Q. The term overlay code is actually a defined term, right?

A. That's right, it is.

Q. And it's an additional code that subdivides an orthogonal channel, right? That's the definition?

A. That's right.

(July 9 a.m. Tr. 94:22-95:7.) Therefore, the overlay code cannot be an "additional" code as required by the Court's claim construction if the overlay code is, as argued by Wi-LAN, part of the orthogonal code, i.e., it could not be an additional code which could subdivide the orthogonal

code unless it was separate from the orthogonal code. There is no other way to read the claims of the '211 patent or the Court's construction of those claims.

It is undisputed by Wi-LAN that only a single orthogonal code, the OVSF code is present in the accused devices. Dr. Wells admitted this:

Q. Isn't it the fact that the code that is generated is a single OVSF code?

A. Yes.

(July 9 a.m. Tr. 111:15–17.) Dr. Wells further admitted that there is no disclosure in any of the patents in suit that the orthogonal code and the overlay code are a single code rather than separate codes:

Q. Okay. That's my question, okay? It's a fact that there isn't any example or embodiment in any of the patents-in-suit that disclose the orthogonal code and the overlay code to be a single code, correct?

A. The answer to that is no – I beg your pardon. the – you are correct.

(July 9 a.m. Tr. 102:7–12.)

The testimony of Dr. Wells culminates in him admitting that if a single OVSF code cannot satisfy the requirements of both an orthogonal code and an overlay code, there is no infringement:

Q. Okay. And you're aware that if Dr. Wicker is right and a single OVSF code cannot satisfy the requirements of both an overlay and an orthogonal code, then there is no infringement, right?

A. For the patents that applies to, yes.

(July 9 a.m. Tr. 133:22–134:4.)

With the foregoing in mind and turning now to the claim elements “second code generator” an “second decoder,” it is clear beyond any doubt that the absence of an overlay code

in the accused devices means that there is no need for a second generator to generate a nonexistent overlay code and no need for a second decoder to decode a nonexistent overlay code. Thus, the undisputed fact that neither of these structures is present in the HTC or Sony Mobile handsets can come as any surprise.

Certainly, Dr. Wells could not find a second code generator or a second decoder in the HTC or Sony Mobile handsets. Instead, he (impermissibly, under the law) relied on the *same* element to be *both* the first decoder *and* the second decoder:

Q. And in fact, the '211 patent, while it deals with decoders rather than encoders, you're pointing to the same hardware and software to satisfy both the first and the second decoder limitation, right?

A. Yes, it does.

Q. And that is true for all of the chipsets you point to in the handsets, right?

A. Yes.

(July 9 a.m. Tr. 103:19–120:1.) The law does not permit reading limitations out of a claim in a literal infringement determination. *Unique Concepts*, 939 F.2d at 1562. To do so would violate the “all elements” rule. *Id.* Wi-LAN’s attempt to do so cannot be countenanced.

Thus, when a proper analysis utilizing claims 2 and 5 of the '211 patent and the Court’s construction of those claims, is used, Wi-LAN concedes that there is no literal infringement. The entitlement of HTC and Sony Mobile to JMOL of no literal infringement could not be more evident and the Court should enter such a judgment.

b. No ‘n’ Data Items Pertaining to Different Wireless Links

Each of the asserted claims of the '211 Patent asserted against HTC and Sony Mobile requires, among other things, that the set of ‘n’ overlay codes enable ‘*n*’ *data items pertaining to different wireless links* to be transmitted simultaneously within the same orthogonal channel.

The Court construed the term “wireless link” as “a radio connection between a central terminal and a *particular* subscriber terminal for communicating data therebetween.” (D.I. 200, at p. 8.) Wi-LAN is pointing to the four Release 99 control channels (CPICH, P-CPICH, P-CCPCH and AICH) as the channels to which the overlay codes are allegedly applied. (July 9 a.m. Tr. 121–122.) Therefore, the claims require that the accused control channels transmit data items pertaining to a radio connection between a central terminal and particular subscriber terminals. The undisputed testimony proved that the accused control channels broadcast data items to all subscriber terminals (i.e., mobile phones) and not to particular subscriber terminals as required by the claims. (July 9 a.m. Tr. 122.) Accordingly, HTC and Sony Mobile are entitled to judgment of noninfringement as a matter of law.

c. No TDM and Second Decoders Acting on Data in the Same Orthogonal Channel

Each of the claims of the '211 Patent asserted against HTC and Sony Mobile requires, among other things: (1) a TDM decoder capable of extracting data items from a particular orthogonal channel; and (2) a second decoder that can selectively isolate data items in the same orthogonal channel. This is also consistent with the plain reading of the claim language “a second decoder, selectively operable instead of the TDM decoder, to apply to the data items of the orthogonal channel.” The un rebutted testimony proved that the alleged TDM decoder in the accused HTC and Sony Mobile handsets extracts data items only from user-specific data channels (HS-PDSCHs) and the alleged second decoder isolates data only in common, control channels. Simply stated, the alleged TDM and second decoders do not act on data in the same channel, as required by the claims. Accordingly, HTC and Sony Mobile are entitled to judgment of noninfringement as a matter of law.

d. No Data Items Being Transmitted

The asserted claims of the '211 Patent claim reception controllers that receive data items that are “being transmitted.” The claims, therefore, are not infringed unless data items are being transmitted. Wi-LAN did not even allege, much less put on evidence, that the accused HTC and Sony Mobile handsets transmit data items received by a reception controller. If the handsets receive data items, the data items are being transmitted by third parties. Wi-LAN, however, has not accused HTC and Sony Mobile of joint or indirect infringement. Thus, since the accused handsets do not meet every limitation of the claims, and there are no allegations of indirect, joint, or divided infringement, HTC and Sony Mobile are entitled to judgment of noninfringement as a matter of law.

2. The '326 and '819 Patents

a. No Overlay Code, Second Code Generator, Second Encoder

The '326 and '819 patents are asserted against Alcatel-Lucent and Ericsson. The claims asserted in the '326 patent are 2, 5 and 9 and only claim 11 of the '819 patent is asserted. These claims are similar to claims 2 and 5 of the '211 patent, but recite a “second encoder” rather than a “second decoder.” Thus, each of these claims requires, in addition to an orthogonal code, an orthogonal code generator and a first encoder:

An overlay code

A second code generator (for generating an overlay code)

A second encoder (for encoding an overlay code)

Just as in the case of the '211 patent, the accused products of Alcatel-Lucent and Ericsson do not have an overlay code, a second code generator, or a second encoder because it is undisputed that they have only a single OVSF code and no need for an overlay code, a second code generator for a nonexistent overlay code, or a second encoder for a nonexistent overlay

code. In this regard, Dr. Wells, once again, admitted that he was relying on the *same* element to satisfy the requirement for *both* a first encoder and a second encoder:

Q. So first let's talk about Alcatel-Lucent. And so I think you explained on direct, as you did in your deposition, that you were relying on the same hardware and software to be both the first and the second encoder, right?

A. That's right. It can be.

Q. Okay, so you're saying that this first encoder and this second encoder in these different limitations, you're pointing to the same thing, the same hardware and software, right?

A. Yes, because it performs both of those functions.

Q. Okay. And – but we're talking about the encoders, the structure, not the functions.

You are pointing to the same structural fit (sic), the same hardware or software, that you're say is both the first and second encoder, correct?

A. That's right.

Q. Okay. And that's true for Ericsson as well?

A. That is correct.

(July 9 a.m. Tr. 102:23–103:18.)

Thus, just as HTC and Sony Mobile are entitled to JMOL of no literal infringement of the '211 patent, Alcatel-Lucent and Ericsson are also entitled to JMOL of no literal infringement of the '326 and '819 patents for essentially the same reasons. Therefore, the Court should enter such a judgment.

b. No TDM and Second Encoders Operating on the Same Data Item

Each of the asserted claims of the '326 Patent requires, among other things: (1) a TDM encoder that can apply TDM techniques to a data item; and (2) a second encoder that can apply an overlay code to the same data item. The un rebutted evidence proved that the alleged TDM

and second encoders in the accused Ericsson and Alcatel-Lucent base stations do not and cannot operate on the same data items. The alleged TDM encoders apply TDM techniques only to data items in user-specific data channels that carry user data, and the alleged second encoders apply overlay codes only to data items in broadcast, control channels, that carry control data. Because a data item cannot be in both a user-specific data channel and a control channel, the alleged TDM and second encoders cannot act on the same data items as required by the claims. Similarly, the accused Ericsson and Alcatel-Lucent base stations fail to satisfy the “selectively operable” language of claims 2, 5, and 9 of the ’326 patent as these products have no second encoder that is selectively operable instead of a TDM encoder. Accordingly, Ericsson and Alcatel-Lucent are entitled to judgment as a matter of law that they do not infringe the ’326 Patent.

c. No Subscriber Terminal

All of the claims asserted against Ericsson and Alcatel-Lucent require a “single frequency channel being employed for transmitting data items pertaining to a plurality of wireless links.” The parties agreed that a “wireless link” is a “radio connection between a central terminal and a particular subscriber terminal for communicating items therebetween.” Thus, following rulings in the Court’s claim-construction Order, each of the asserted claims includes a subscriber-terminal limitation. Wi-LAN did not allege, much less put on evidence, that the accused Ericsson and Alcatel-Lucent base stations include subscriber terminals. Accordingly, Ericsson and Alcatel-Lucent are entitled to judgment of noninfringement as a matter of law.

d. No Storage of a Set of Orthogonal Codes

Asserted claims 5 and 9 of the ’326 Patent and claim 11 of the ’819 Patent require an orthogonal generator that “is a storage arranged to store the set of orthogonal codes.” Wi-LAN has not identified an orthogonal code generator that is a storage. Further, it is undisputed that the alleged storage can store, at most, a single orthogonal code at any given time. Wi-LAN offered

no explanation, theory, or evidence to support a verdict that this alleged storage is an “orthogonal code generator arranged to store a set of orthogonal codes.” Ericsson and Alcatel-Lucent are therefore entitled to judgment as a matter of law that they do not infringe claims 5 and 9 of the ’326 Patent or claim 11 of the ’819 Patent.

e. No Storage of Overlay Codes

Asserted claim 11 of the ’819 Patent requires an overlay code generator that “is a storage arranged to store the set of overlay codes.” Wi-LAN has not identified an overlay code generator that is a storage. Further, it is undisputed that the alleged storage can store, at most, a single overlay code at any given time. Wi-LAN offered no explanation, theory, or evidence to support a verdict that this alleged storage is an “overlay code generator arranged to store a set of overlay codes.” Ericsson and Alcatel-Lucent are therefore entitled to judgment as a matter of law that they do not infringe claim 11 of the ’819 Patent.¹

3. The ’327 Patent

a. No Removing CDMA Channels

Claim 11 of the ’327 Patent requires, among other things: a channel controller arranged to (1) “allocate a number of . . . code division multiplexed channels as a channel pool of code division multiplexed channels available for the establishment of . . . wireless links”; and (2) selectively reduce the number of code division multiplexed channels in the channel pool.” Claim 12 depends on claim 11 and therefore includes those same limitations. Thus, claims 11 and 12 require reducing the number of channels in a pool of channels available for wireless links—not just particular wireless links, all wireless links.

¹ Additionally, through Dr. Wells, Wi-LAN argues an improperly narrow view of the court’s construction of “TDM techniques.” Should that narrow view prevail, however, Wi-LAN cannot show infringement of the TDM encoder/decoder elements as the accused products as there is insufficient evidence that the accused products allocate intervals based on data characteristics such as data type.

The only evidence allegedly supporting such a reduction was Dr. Wells's testimony that the number of channels allocated to a particular subscriber terminal is reduced: "What this is doing is . . . telling the base stations to allocate less and less and less codes to that phone. So it, therefore, has more codes that it can allocate to other phones." (Tr. at 63:8–13 (emphasis added).) Likewise, in describing a so-called CQI mapping table shown in PX 249, he stated:

On the right-hand side [of the CQI mapping table], there's this number of HS-PDSCHs, which is the number of channels allocated. It's the channel pool. Now, if you have very low intercell interference, then that would not be reflected in the CQI value. And so you could have CQI in this case of say 23, and you'd get five codes allocated to you. Your channel pool would be five codes. Than as intercell interference rises, your CQI value would necessarily drop, and the number of codes in the pool will reduce to four, to three, to two, to one, until you get to the point where if intercell interference was so bad, you would then get no channels allocated to you at all.

(Tr. at 62:6–19 (emphasis added).)

Thus, Wi-LAN offered no explanation, theory, or evidence to show that any of the accused Ericsson base stations include a channel controller arranged to selectively reduce the number of code division multiplexed channels available for the establishment of wireless links. Just the opposite, the unrebutted evidence shows that all code division multiplexed code channels are always available. As Dr. Wells explained, if a channel is no longer available for a particular user, it may be used for the establishment of a wireless link with another user. The claims, however, require removing channels available for establishing wireless links completely, not simply taking them from one user and allocating them to another.

Because there is no evidence that the Ericsson and Alcatel-Lucent base stations ever completely remove code division multiplexed available for the establishment of wireless links, Wi-LAN failed to prove infringement of claims 11 and 12 of the '327 Patent. Ericsson is therefore entitled to judgment as a matter of law that it does not infringe the '327 Patent. *E.g.*,

Presidio Components, Inc. v. Am. Technical Ceramics, Corp., 702 F.3d 1351, 1358 (Fed. Cir. 2012) (“To prove literal infringement, a plaintiff must show that the accused device contains each and every limitation of the asserted claims.”).

b. No Identification of Interference From Other Cells

The asserted claims of the '327 Patent require the base station to receive “parameters pertaining to a wireless link within the cell indicative of whether that wireless link is subject to interference from signals generated by said other cells.” There is no dispute that these parameters must be indicative of intercell interference. There is no dispute that: (1) the CQI received by the accused Ericsson and Alcatel-Lucent base stations is just a number (0–30); (2) it is generated by the handset; and (3) how a handset calculates the CQI is proprietary. In fact, there is no evidence of how any handset actually calculates the CQI, let alone that it is indicative of intercell interference.

Further, as Dr. Wells testified, the quality of the receiver and how good the receiver is a factor in what the CQI reports:

Q. You’re accusing CQI. Isn’t it a fact that if I have one phone with a great receiver, designed really well, and another one that the engineers didn’t do quite such a good job, they are standing right next to each other, exact same conditions, exact same interference, they can report different CQIs , right?

A. Well, they may do. Yes.

Q. Well, in fact, they do, because there are different qualities of receivers, right?

A. Yes.

(July 9 a.m. Tr. 141:11–20.) Therefore, the Ericsson and Alcatel-Lucent base stations do not infringe as a matter of law.

IV. Defendants Do Not Infringe Under the Doctrine of Equivalents

A. Wi-LAN Cannot Use the Doctrine of Equivalents to Remove Limitations from the '211 Patent

Notwithstanding that Defendants are entitled to judgment as a matter of law that the accused devices do not literally infringe the asserted claims, Defendants are also not liable for infringement under the doctrine of equivalents. Wi-LAN bears the burden of proving infringement under the doctrine of equivalents. *Miken Composites, L.L.C. v. Wilson Sporting Goods Co.*, 515 F.3d 1331, 1340–41 (Fed. Cir. 2008); *Universal Gym Equipment, Inc. v. ERWA Exercise Equipment, Inc.*, 827 F.2d 1542, 1548 (Fed. Cir. 1987). There are “distinct rules for evidence showing infringement under the doctrine of equivalents.” *nCube Corp. v. SeaChange Int’l, Inc.*, 436 F.3d 1317, 1326 (Fed. Cir. 2006) (affirming JMOL of non-infringement under the doctrine of equivalents).

In *Warner-Jenkinson*, the Supreme Court made it clear that a party cannot use the doctrine of equivalents to compare the accused device to the entirety of the claimed invention. *See Warner-Jenkinson Co., Inc. v. Hilton Davis Chem. Co.*, 520 U.S. 17 (1997). Infringement under the doctrine of equivalents requires Wi-LAN to prove equivalency on a limitation-by-limitation basis. *Id.*; *see also Digital Biometrics, Inc. v. Identix, Inc.*, 149 F.3d 1335, 1349 (Fed. Cir. 1998). The “all limitations rule”² bars Wi-LAN from asserting the doctrine of equivalents where doing so would eliminate or render superfluous a particular claim element. *DePuy Spine, Inc. v. Medtronic Sofamor Danek, Inc.*, 567 F.3d 1314, 1323 (Fed. Cir. 2009) (citing *Warner-Jenkinson*, 520 U.S. at 39 n.8); *Freedman Seating Co. v. Am. Seating Co.*, 420 F.3d 1350, 1358 (Fed. Cir. 2005). The application of the all elements rule is a question of law. *See Panduit Corp. v. HellermannTyton Corp.*, 451 F.3d 819, 826 (Fed. Cir. 2006). Thus, it is up to the court to

² The all limitations rule is sometimes referred to as the “all element rule.” *Unique Concepts Inc. v. Brown*, 939 F.2d 1558, 1562 (Fed. Cir. 1991).

decide if the all elements rule bars assertion of the doctrine of equivalents. *See Wavetronix LLC v. EIS Elec. Integrated Sys.*, 573 F.3d 1343, 1360 (Fed. Cir. 2009) (“A court may not apply the doctrine of equivalents where so doing would effectively eliminate a claim element in its entirety.”); *see also Honeywell Int’l Inc. v. Universal Avionics Sys. Corp.*, 347 F. Supp. 2d 114, 120 (D. Del. 2004). In order to be equivalent, the differences between a claim limitation and an element of the accused product must be “insubstantial.” *Wavetronix*, 573 F.3d at 1360.

The test articulated for the doctrine of equivalents by the Supreme Court is straightforward:

Does the accused product or process contain elements identical to each claimed element of the patented invention? ... A focus on individual elements and a special vigilance against allowing the scope of equivalence to eliminate completely any such elements should reduce considerably the imprecision of whatever language is used.

Warner-Jenkinson, 520 U.S. at 40 (emphasis added). As the Supreme Court noted, a trial court has an important role in making sure the doctrine of equivalents is properly applied and presented at trial:

[T]he various limitations on the application of the doctrine of equivalents are to be determined by the court, ... on a motion for judgment as a matter of law at the close of evidence Thus, under the particular facts of a case, ... if a theory of equivalence would entirely vitiate a particular claim element, partial or complete judgment should be rendered by the court, as there would be no further *material* issue for the jury to resolve.

Warner-Jenkinson, 520 U.S. at 39 n.8 (emphasis in original).

Thus, where an element is not literally found in an accused device, an equivalent element must be present in the device. Plainly, equivalence between the claimed invention and the accused device cannot be found if doing so requires elimination of an element of the claim even

where its function can be performed by another element of the claim. Wi-LAN attempts to do just that, eliminate a claim element, as demonstrated in the direct testimony of Wells:

Q. And what do the claims tell us about whether we can use the same hardware and software as the first encoder and the second encoder?

A. Well, the claims allow that, as long as they perform the function of a first encoder and the function of a second encoder.

Q. All right. And is this similar to the point you made earlier about equivalence?

A. Yes. Yes. So I talked about the equivalence earlier, if you think that it was just the one generator. So if you think there's just the one encoder, then there's the equivalent of using these two encoders together

(July 8 p.m. Tr. at 126:19-127:6.)

This is plainly improper and violates the all elements rule because it completely eliminates the second decoder/encoder as an element in the claims. As held in *Panduit*, “Application of the doctrine of equivalents is limited by the ‘all elements rule,’ which provides that ‘the doctrine of equivalents does not apply if applying the doctrine would vitiate an entire claim limitation.’” *Panduit*, 451 F.3d at 830; *see also Asyst Techs., Inc. v. Emtrak, Inc.*, 402 F.3d 1188 (Fed. Cir. 2005) (citing *Warner-Jenkinson*, 520 U.S. at 17, 29). Further, in *Freedman*, the Federal Circuit held that “an element of an accused product or process is not, as a matter of law, equivalent to a limitation of the claimed invention if such a finding would vitiate the limitation.” *Freedman*, 420 F.3d at 1358.

B. Wi-LAN Improperly Attempts to Use the Doctrine of Equivalents to Remove the Two Codes, Two Code Generators, and Two Decoders Claim Limitations

Wi-LAN attempts to use the doctrine of equivalents to eliminate claim elements of the asserted claims in their entireties. Claim 5 of the ‘211 patent, in addition to an (1) orthogonal

code generator for providing an orthogonal code, (2) a first decoder for applying the orthogonal code, and (3) a TDM decoder for extracting a data item from a predetermined time slot, requires (4) an overlay code generator for providing an overlay code, and (5) a “second decoder,” which is “selectively operable instead of the TDM decoder,” to isolate a particular data item using the overlay code.³ Thus, Claim 5 requires both an orthogonal and an overlay code generator that generate orthogonal and overlay codes, respectively, and first and second decoders that apply the orthogonal and overlay codes, respectively.

1. Wi-LAN Tries to Eliminate the Claim Limitation Requiring an Overlay Code and Overlay Code Generator

Wi-LAN attempts to eliminate the requirement for an overlay code by attempting to equate the result of applying an orthogonal and overlay code, as the claim requires, with the result of applying one code, as the accused products do. (July 8 p.m. 119:12-121:11.) It also attempts to remove the claim requirement of a second code generator along with elimination of the overlay code. But the all elements rule cannot be so easily avoided. Even if there were some similarity in results, which there is not because the single code of Defendants’ accused products speeds up data transmission whereas the use of an overlay code slows down data transmission, the fact that the patent claims require an orthogonal code plus an additional overlay code means that Wells’ argument would eliminate the claim limitation of having an overlay code and overlay code generator. Eliminating a claim limitation is improper under the doctrine of equivalents, and thus, as a matter of law, Defendants cannot infringe the two codes limitations with only one code or the second code generator with only one code generator. *See Panduit*, 451 F.3d at 830.

2. Wi-LAN Also Tries to Eliminate the Claim Limitation Requiring Two Decoders/Encoders

³ The arguments as to Claim 5 of the ‘211 patent apply equally to Claim 2 of the ‘211 patent, claim 11 of the ‘819 patent, and claims 2, 5, and 9 of the ‘326 patent.

Wi-LAN attempts to eliminate the requirement for a “second” decoder/encoder by stating that using one decoder/encoder with a 256-bit code is the same as using one decoder/encoder with a 16-bit orthogonal code and using a second decoder/encoder with a 16-bit overlay code. (July 8 p.m. Tr. 127:4–9.)

Once again, Wells seeks to eliminate the claim limitation that explicitly calls for a second decoder/encoder by sweeping it under the guise of the doctrine of equivalents. Wi-LAN cannot utilize the doctrine of equivalents in this manner to eliminate the claim limitation explicitly calling for a second decoder/encoder. *See Panduit*, 451 F.3d at 830. Thus, Wi-LAN’s doctrine of equivalents arguments must be rejected as a matter of law.

C. Wi-LAN’s Argument in Support of Any Other Doctrine of Equivalents Claims is Legally Insufficient

In order to prove the doctrine of equivalents, Wi-LAN must “present *evidence and argument* concerning the doctrine and each of its elements.” *Lear Siegler, Inc. v. Sealy Mattress Co. of Mich., Inc.*, 873 F.2d 1422, 1425 (Fed. Cir. 1989) (emphasis in original); *see also nCube*, 436 F.3d at 1325; *Texas Instruments, Inc. v. Cypress Semiconductor Corp.*, 90 F.3d 1558, 1567 (Fed. Cir. 1996). “The evidence and argument on the doctrine of equivalents cannot merely be subsumed in [Wi-LAN’s] case of literal infringement.” *Id.* That evidence and argument on literal infringement bears on equivalence is not enough; the patentee must lay out the equivalence argument in full for each element. *Id.* Boilerplate language and reference to prior arguments is not sufficient to demonstrate infringement under the doctrine of equivalents. *Smith & Nephew, Inc. v. Arthrex, Inc.*, No. 2:07-cv-335-TJW-CE, 2010 U.S. Dist. LEXIS 10257, at *27–29 (E.D. Tex. Feb. 5, 2010). Generalized testimony as to the overall similarity between the claims and the accused infringer’s product or process will not suffice to show infringement under the doctrine of equivalents. *Texas Instruments*, 90 F.3d at 1567 (Fed. Cir. 1996). Rather, Wi-

LAN must set forth evidence to establish *what* the function, way, and result of both the claimed device and accused device is, and *why* the function, way, and results are the same. *Malta v. Schulmerich Carillons, Inc.*, 952 F.2d 1320, 1327 n.5 (Fed. Cir. 1991).

Here, Wi-LAN has not even complied with the all elements rule, which functions as a gatekeeper, a failure of which precludes reaching any of the other requirements of the doctrine of equivalents.

D. Wi-LAN's Argument with Respect to Doctrine of Equivalents Ensnare Prior Art

Ensnarement bars a patentee from asserting a scope of equivalency that would encompass, or “ensnare,” the prior art. *See Wilson Sporting Goods Co. v. David Geoffrey & Assoc.*, 904 F.2d 677, 683 (Fed. Cir. 1990), overruled in part on other grounds, *Cardinal Chem. Co. v. Morton Int'l, Inc.*, 508 U.S. 83, 92 n.12 (1993). Ensnarement is question of law. *Id.* at 683. Prior art discussed by Defendants' invalidity expert Mark Lanning demonstrates that Wi-LAN's arguments with respect to the doctrine of equivalents ensnare the prior art. For example, the TDM techniques as applied by Wi-LAN was described by Gitlin, U.S. Patent No. 6,018,528. Furthermore, the different length OVVSF codes indisputably used in the accused HSDPA compliant devices to provide were described in the Gilhousen patent application, WO 95/03,652. Further, recourse to the doctrine of equivalents is also barred because the alleged equivalent, OVVSF codes, were known in the art and were therefore foreseeable. Therefore, Wi-LAN's arguments with respect to the doctrine of equivalents is barred by the prior art limitation because they ensnare the prior art as described in these references.

V. The Asserted Claims of the Overlay Patents Are Invalid

Defendants bear the burden of proof on invalidity by clear and convincing evidence. However, the Court should enter a judgment of invalidity because the evidence presented is such that no reasonable jurors could arrive at any other conclusion.

A. Claims 2 and 5 of the '326 Patent and Claims 2 and 5 of the '211 Patent Are Anticipated by Tiedemann

Mr. Lanning showed that the Tiedemann reference (DX-124) discloses each and every element of claims 2 and 5 of the '326 patent and claims 2 and 5 of the '211 patent. Therefore, the Court should find as a matter of law that Tiedemann anticipates claims 2 and 5 of the '326 and '211 Patents.

B. The Asserted Claims of the Overlay Code Patents Are Obviousness

Obviousness is a question of law based on underlying facts, as set forth in *Graham v. John Deere Co.*, 383 U.S. 1 (1966). The *Graham* factors are (1) the scope and content of the prior art, (2) the difference between the prior art and the claimed invention, (3) the level of ordinary skill in the field of the invention, and (4) any relevant objective considerations. The *Graham* Court explained that “the ultimate question of patent validity is one of law.” *Id.* at 17.

There is no dispute that all of the elements of all of the asserted claims of the overlay code patents were known in the art. In addition, Mr. Lanning, defendants' invalidity expert, demonstrated that each of the claim elements could be found in the IS-95-A (DX-149), Tiedemann (DX-124), and Gitlin (DX-148) references. And not only were all of the claim elements known, they were all known in the same technical field—cellular wireless. So the only dispute between the parties is whether it would have been obvious to combine the elements into the particular arrangement as spelled out in the asserted claims of the overlay code patents.

Mr. Lanning presented evidence, arguments, and reasons why the asserted claims would have been obvious to one of ordinary skill in the art. For example, Mr. Lanning demonstrated

that these prior art references come from leaders in the field of cellular wireless, namely Qualcomm and Bell Labs. But Wi-LAN's technical expert, Dr. Wells, presented no evidence of non-obviousness, nor any reasons why one of ordinary skill in the art could not or would not combine the known elements as set forth in the claims. He also presented no secondary considerations of non-obviousness. Dr. Wells simply addressed non-obviousness by stating that "it would not have been obvious." Such conclusory statements cannot be held to rebut Mr. Lanning's evidence of obviousness.

Therefore, the defendants respectfully move for a finding of obviousness, as a matter of law, on all of the asserted claims of the overlay code patents, based on what was admittedly known in the art by one of ordinary skill in the art, the Tiedemann reference alone, or Tiedemann in combination with the other references and/or the knowledge of one of ordinary skill in the art.

VI. Conclusion

Wi-LAN has not presented evidence upon which the jury could reach a verdict of infringement. Judgment as a matter of law of non-infringement should be entered.

Dated: July 12, 2013

Respectfully submitted,

By: /s/ Eric H. Findlay

Stephen S. Korniczky (pro hac vice)
Martin R. Bader (pro hac vice)
James Geriak (pro hac vice)
SHEPPARD, MULLIN, RICHTER &
HAMPTON
12275 El Camino Real, Suite 200
San Diego, California 92130-2006
Tel: 858-720-8924
Fax: 858-847-4892
skorniczky@sheppardmullin.com
mbader@sheppardmullin.com
dyannuzzi@sheppardmullin.com
lhsu@sheppardmullin.com
gbuccigross@sheppardmullin.com

Eric Hugh Findlay (TX Bar 00789886)
Roger Brian Craft (TX Bar 04972020)
FINDLAY CRAFT
6760 Old Jacksonville Highway
Suite 101
Tyler, Texas 75703
Tel: 903-534-1100
Fax: 903-534-1137
efindlay@findlaycraft.com
bcraft@findlaycraft.com

ATTORNEYS FOR DEFENDANTS
HTC CORPORATION, HTC AMERICA,
INC. AND EXEDEA INC.

Dated: July 12, 2013

Respectfully submitted,

By: /s/Akshay S. Deoras

Gregory S. Arovas (pro hac vice)
Robert A. Appleby (pro hac vice)
Jeanne M. Heffernan (pro hac vice)
Akshay S. Deoras (pro hac vice)
KIRKLAND & ELLIS LLP
601 Lexington Avenue
New York, NY 10022
Tel: (212) 446-4800
Fax: (212) 446-4900
Alcatel-Lucent-Wi-LAN-
Defense@kirkland.com

Michael E. Jones
Allen F. Gardner
POTTER MINTON PC
110 N. College, Suite 500 (75702)
P.O. Box 359
Tyler, Texas 75710
(903) 597 8311
(903) 593 0846 (Facsimile)
mikejones@potterminton.com
allengardner@potterminton.com

ATTORNEYS FOR DEFENDANT
ALCATEL-LUCENT USA INC.

Dated: July 12, 2013

Respectfully submitted,

/s/ Richard L. Wynne, Jr.

Bruce S. Sostek (Lead Attorney)

State Bar No. 18855700

Bruce.Sostek@tklaw.com

Richard L. Wynne, Jr.

State Bar No. 24003214

Richard.Wynne@tklaw.com

THOMPSON & KNIGHT LLP

1722 Routh Street, Suite 1500

Dallas, Texas 75201

214.969.1700

214.969.1751 (facsimile)

ATTORNEYS FOR DEFENDANTS

ERICSSON INC.

TELEFONAKTIEBOLAGET LM ERICSSON

SONY MOBILE COMMUNICATIONS AB

and

SONY MOBILE COMMUNICATIONS

(USA) INC.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing document was served on all counsel of record on July 12, 2013, by electronic mail.

/s/ Martin R. Bader

Martin R. Bader